IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

APPEAL NO.598 OF 2004
IN
SUMMONS FOR JUDGMENT NO.168 OF 2002
IN
SUMMARY SUIT NO.2611 OF 1996

Gremach Holding Limited .. Appellant.
V/s.
Keynote Corporate Services Ltd. .. Respondent.

Mr.Pradeep Sancheti with Deshmukh, S. Suryawanshi i/b. Mulla & Mulla for the appellant.
Mr.Virag Tulzapurkar with Chetan Kapadia i/b. Dhru & Co. for the respondent.

CORAM : R.M. LODHA, &
J.P. DEVADHAR, JJ.

DATED : 12TH OCTOBER, 2004.

P.C. :

. After having heard the learned counsel for the parties and upon perusal of the available material and the impugned order, we find ourselves in agreement with the view of the learned trial Judge that the defendant (present appellant) has no substantial defence to defend the summary suit. Rather we are of the view that the defence sought to be set up by the defendant is dishonest. The learned trial Judge having held that the defendant has no substantial defence, yet showed mercy and granted

conditional leave to defend on deposit of Rs.1,00,00,000/- within three months from the date of the order. We intend to modify the amount of deposit to some extent. The present appellant took a loan of Rs.89,25,000/- from Sun Pharmaceuticals Industries (for short 'Sun'). The present respondent stood as guarantor for repayment of loan advanced by Sun to the present appellant in the sum of Rs.89,25,000/-. Sun sued the present respondent wherein the matter went right upto the Supreme Court concering the conditional leave to defend and thereafter a decree has been passed against the present respondent based on consent terms. The present respondent has already paid to the Sun a sum of Rs.75,00,000/-. The further sum of Rs.15,00,000/- is to be paid by the respondent in three instalments. We are of the view that amount of deposit may be brought in conformity with the decree suffered by the respondent.

2. We, accordingly, pass the following order:

i) The defendant shall deposit with the Prothonotary & Senior Master of this court a sum of Rs.75,00,000/- on or before November 15, 2004 and a further sum of Rs.15,00,000/- in three instalments of

Rs.5,00,000/- each on or before December 31, 2004, March 31, 2005 and June 30, 2005 respectively.

ii) Upon the aforesaid deposit being made, the respondent (plaintiff) shall be at liberty to withdraw the said amount on furnishing security to the satisfaction of the Prothonotary & Senior Master of this court.

iii) The other directions of the learned trial Judge shall remain as it is.

4. With the aforesaid modifications, the appeal is dismissed.

(R.M. LODHA, J.)

(J.P. DEVADHAR, J.)